

~~Top Secret~~

BRIEFS AND COMMENTS

BOLIVIA: New Regime's Prospects

Argentina's recognition on Monday of the Bolivian military government may improve the new regime's chances for international legitimacy and financial support.

The decision could induce other nations, particularly Brazil, Chile, Paraguay, and Uruguay, to recognize the Garcia Meza government. These nations also have military governments and are more likely to accept the Bolivian military's claim that it seized power to prevent a Communist from being elected. Bolivia's Andean Pact neighbors to the north, however, as well as most other nations, so far seem disinclined to accept Garcia Meza's claim.

The Argentine move may also dishearten the regime's opponents. Civilian resistance now appears limited to several scattered mining districts. Hernan Siles Zuazo, who had been expected to be elected president, is in hiding and so far has not been able to unify the resistance.

Rumors are circulating that the more progressive military officers may attempt a counter coup. Some of these officers apparently have thrown in their lot with Garcia Meza, however, and others seem likely to be forcibly retired.

Garcia Meza and his military supporters are trying to secure financial backing. They are shaking down reluctant businessmen for contributions.

Key drug traffickers, moreover, evidently are providing funds to fill the gap left by the withdrawal of foreign aid. In return, they expect the government to stop interfering with their highly profitable cocaine trade.

~~Top Secret~~

30 July 1980